

MEMORANDUM

NATIONAL SECURITY COUNCIL

URGENT ACTION

March 13, 1974

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NSS, NGA, OSD, State Dept.
reviews completed

MEMORANDUM FOR: SECRETARY KISSINGER
FROM: JAN M. LODAL /wz
SUBJECT: Greater Sharing of US Intelligence With
NATO Allies

Background

25X1 As you know, the US has had a special intelligence relationship with [redacted] All of the other NATO Allies have on occasion indicated an interest in learning more of what the US knows, but in particular [redacted] has rankled at being "excluded" from the intelligence privileges that the [redacted] They have probed every appropriate opportunity for a relaxation of the US policy. 25X1

[redacted] Nonetheless, former Secretary Laird and Secretary Schlesinger have given personal briefings at selected times to some NATO Defense Ministers which involved satellite photography and the outputs of other highly classified means of collections. 25X1

Current DCI Colby appears more flexible; at least he is inclined to give active study to sharing more of our intelligence with the NATO Allies. He was instrumental in getting a downgrading of the product of our satellite photo reconnaissance program. He did, however, insist on keeping such product classified as NOFORN, which effectively prevents it from being available to the Allies. Purportedly, this was to allow the transition to occur first in an orderly fashion within the USG. In fact, it was probably the result of foot-dragging within the CIA.

We believe that Director Colby does envisage some sort of eventual further relaxation of at least our photographic product, but we do not know the scope or timing that he might have in mind.

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Classified by Henry A. Kissinger

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Secretary Schlesinger also has demonstrated an increasing interest in this overall area, and from what we can discern, he may want to pursue some unilateral Defense initiatives both with the German Ministry of Defense and in the course of updating MC-161 (the NATO estimate of overall Warsaw Pact force capabilities).

Finally, as you are aware from my memo of February 19, the NSC has become involved in this issue in the context of MBFR verification. Specifically, although we will ask for negotiated inspection, our primary reliance in MBFR verification will be on national means. The FRG accepts this approach (with increasing fervor as the potential political impact of "permanent", visible Pact teams of inspectors in the FRG has been absorbed). Nonetheless, they have stated that they "must" receive greater access to the product of US national technical means (NTM) in order to be able to accept the US proposal to rely primarily on national means in MBFR. Their arguments have a tinny ring, but viewed in the larger context of the intelligence sharing issue, we may be able to get some additional mileage out of what we already intend to do.

Current Developments and Proposals for How to Proceed

We have established a special committee under the Verification Panel Working Group on MBFR in order to explicitly surface both issues (MBFR verification and more sharing of NTM with the Allies) and come up with a full range of options for the Verification Panel. The latter would be using the MBFR lever to work a larger issue, but, in any event we feel strongly that greater sharing of intelligence with NATO Allies is an inter-agency issue which will ultimately require Presidential review.

The overall issue is complex. For example, there are the following subsidiary issues:

- Should any greater sharing eventually decided upon be with the FRG, NATO, both, or some subset of the Allies?
- How should new sharing arrangements be established and controlled (e. g., or DOD/MOD)?
Who should pay the costs, which could be substantial? 25X1
- Should the scope of the sharing include satellite photography, SIGINT, ELINT, . . . ?
- How should the various steps be coordinated within the USG?

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Several specific proposals have been inside safe drawers for years, and now with some signs of high level interest (which have been interpreted from establishment of the NSC Verification/NTM Committee), they are being dusted off. The movement in this area may be more rapid than you desire, especially if Secretary Schlesinger has a predilection to pursue further relaxation (which he appears to have).

In particular, Lt. General Daniel Graham (who Schlesinger brought to CIA when he was DCI) has proposed an approach where the Defense Department would establish a tie with the BND (FRG Central Intelligence). He envisages a facility on a US installation in the FRG which would be accessible to about twenty very carefully screened German (primarily military intelligence) personnel. We have several reservations about this idea, but, in any event, the cardinal point is that the overall issue of greater intelligence sharing with the NATO Allies should be carefully studied, on an interagency basis, before action is taken. In the context of such a systematic examination of the entire question, the specific choices can be much more clearly illuminated for decision, if necessary, by the President.

RECOMMENDED ACTIONS

~~We believe that eventual sharing of our intelligence is probably essential~~ if we ever get an MBFR agreement, and is perhaps desirable in any event. However, in your contact with Schlesinger and Colby, you should stress the importance of conducting a thorough interagency study before any significant unilateral agency programs are approved. This should not require an inordinate period of time. In particular, you might ask Secretary Schlesinger and Colby whether plans for upgrading MC-161 this spring currently include any significant steps to share sensitive information with our Allies. Based upon the responses, you may wish to ask that they hold off on major changes until the entire issue can be reviewed. You should also make clear that you want to control the timing of any relaxation in order to coordinate it with other diplomatic initiatives you are undertaking in Europe.

However, in lieu of stonewalling entirely with our Allies on these issues, it might be preferable to at least inform them at a responsible level that the US has undertaken serious study of the matter. This might ease considerably the kinds of problems we traditionally encounter with the FRG in the course of the MC-161 exercise and would be likely to provide a generally reduced level of Allied pressure for six months to a year. At that point, we can anticipate renewed and heightened interest. Any special arrangements with the Germans would of course require delicate handling with the other Allies.

Talking points for your luncheon meeting with Schlesinger, Moorer, and Colby tomorrow drafted along the lines we recommend are at Tab A.

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Talking Points for Secretary Kissinger's
Luncheon Meeting with Secretary Schlesinger,
Admiral Moorer and DCI Colby

Thursday, March 14, 1974

Greater Sharing of Intelligence with NATO Allies

[We understand from General Dan Graham that Director Colby will wish to raise this issue in the meeting; if he does not broach the subject, then it would be helpful for you to bring it up.]

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Bill [Colby], I understand that you have a number of ideas floating around CIA.

[If Director Colby has not already initiated this discussion, he will respond with some specific proposals.]

Jim [Schlesinger], you are faced with at least some preliminary decisions in this realm in the MC-161 exercise. How do you think we should proceed?

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[Secretary Schlesinger may not give a forthcoming response, but perhaps you can draw him out. We believe he has given some thought to the overall issue, and that he favors some unilateral Defense initiatives (e.g., General Graham's idea).]

It is clear to me that this entire issue merits serious study. We should not get ahead of ourselves; we should hold off on independent agency initiatives. It is too complicated an issue for us to proceed in an uncoordinated fashion; there are political factors, intelligence facets, and military aspects ... all of which need to be taken into account. We need to look systematically at the alternative sets of coordinated actions that we could take. Otherwise, we may miss some real opportunities, or even end up working at cross purposes.

I have already asked the Verification Panel Working Group to undertake study of the questions relating to greater sharing of intelligence with our Allies in the context of our MBFR preparations. I think we should use this mechanism, with CIA as the lead agency, to coordinate the study. Are there any objections?

[Secretary Schlesinger may state that he will still continue some independent efforts at Defense, but Director Colby will fully support you.]

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In the meantime, it may be best not to stonewall completely with the Allies. We could gain some cooperation by telling appropriate individuals in NATO capitals that we are studying this matter. This would tend to commit us to do more than work a deal with the Germans, but a German opening alone is probably not a reasonable approach in any event. (Ask for the views of the others.)

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